

Tax Credits in Build Back Better Support Millions of Families

Millions of people across the nation are better off financially thanks to temporary Earned Income Tax Credit (EITC) and Child Tax Credit (CTC) expansions included in the March 2021 American Rescue Plan. Congress can ensure families continue to have the resources they need to thrive by passing the Build Back Better bill, which extends these tax credit improvements through next year.

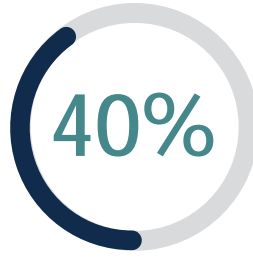
The benefits of EITC and CTC expansion are widely distributed among households of different races and ethnicities.



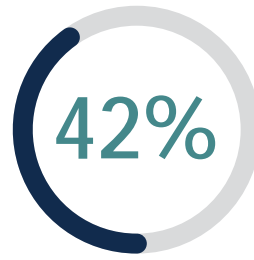
White



Asian



Black



Hispanic



American Indian

Note: Hispanic category includes people of all races. Other categories include non-Hispanic people only. American Indian category includes Alaska Natives.
Source: ITEP, November 2021

CTC + EITC by the Numbers

1 in 3

The number of households in this country that will benefit from the CTC or EITC expansions in the Build Back Better bill

90%

The percentage of all children in the U.S. who benefit from the expanded CTC

10.5%

The average income boost for the poorest 20% of households due to both the CTC and EITC expansions

35%

The average income boost the CTC gives for the poorest 20% of households with children

Congress must pass Build Back Better to ensure a step toward greater economic and racial equity.

Before the pandemic, four in 10 families struggled to make ends meet as the nation reckoned with 40 years of trickle-down economic policies that funneled a greater share of the nation's wealth to the top. Build Back Better would begin to address this injustice, which has disproportionately affected Black and brown people due to other inequities. The EITC and CTC are proven poverty-fighting tools. The monthly CTC payments alone kept 3.6 million people out of poverty in October. This policy success is worth repeating.